

PROPOSAL

*Sampling Plan to Evaluate PCB Remediation
ex-USS Kittiwake (ASR-13)*

EPI Proposal No. 2007101801

Prepared for:

Ms. Nancy Easterbrook
Shipwreck City Project Manager
Cayman Islands Tourism Association
Cayman Islands, BWI



18 October 2007

Prepared by:



EPI

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Ms. Nancy Easterbrook
Shipwreck City Project Manager
Cayman Islands Tourism Association
P.O. Box 31086 SMB
73 Lawrence Boulevard, Islander Complex
Grand Cayman, Cayman Islands, BWI

Re: ex-USS Kittiwake (ASR-13)
Development of Sampling Plan to Evaluate PCB Remediation
EPI Proposal No. 2007101801

Dear Ms. Easterbrook:

EPI is pleased to provide this proposal to develop a sampling plan to evaluate the effectiveness of PCB decontamination aboard the referenced vessel. We understand that the plan must be developed and submitted to the US Environmental Protection Agency (EPA) for review as part of its overall review of the PCB decontamination strategy for the vessel.

Background

Paint samples were collected from 121 locations aboard the vessel in 2006 and analyzed for PCB content. Laboratory analysis revealed that one of the 121 paint samples contained PCB's in excess of 50 parts per million (ppm). This sample, #67, was located in Main Propulsion, lower STBD side, location B-204-E, Fr. 79. Subsequent sampling performed in the vicinity of #67 in 2007 also indicated PCB concentrations in excess of 50 ppm.

The Cayman Islands Tourism Association (CITA) provided to the US Maritime Administration (MARAD) and EPA a plan to remediate the area on and adjacent to the surfaces where sample #67 in 2006 and subsequent samples in 2007 were obtained. The EPA has requested that CITA also submit a sampling plan to be implemented in order to verify that the remediation was successful. EPI proposes to develop this sampling plan, describing the methods and procedures to be used to determine the effectiveness of the remediation.

SCOPE OF SERVICES

Sampling Plan Development

EPI will develop a sampling plan addressing the remediation performed at and in the vicinity of Sample, #67 as described above, located in Main Propulsion, lower STBD side, location B-204-E, Fr. 79. The plan will be developed based on the scope of the remediation, currently accepted sampling and analytical methods, EPA guidance documents, and/or other resources deemed necessary.

The plan will specify information including but not limited to:

- The stated purpose and objectives of the sampling,

- The type(s) of samples to be collected,
- The process for selecting the number of samples, sample locations, and, sample dimensions and sample size (if applicable),
- The process for selecting alternate sample locations,
- A diagram of proposed sampling locations,
- Decontamination process for re-usable sampling equipment,
- Waste and trash handling procedures,
- Field QA/QC procedures, including duplicates, splits, and blanks,
- The approved analytical method(s) to be employed, and
- The criteria for classifying a sample result as a negative finding.

In order to ascertain the sampling requirements under this proposed scope of work, EPI requests copies of any diagrams or drawings of the following:

- 1) the vessel arrangement,
- 2) the location where the sampling will be performed,
- 3) the remediation plan, and,
- 4) other documents illustrating or describing the area around location B-204-E, Fr. 79.

We understand that the sampling protocol may require review and/or approval by Government agencies, and that such review may be performed beyond the control of the CITA. We also understand that revisions to the protocol may be required subsequent to Government agency review.

ITEMS NOT INCLUDED

1. Sample collection and/or analysis.
2. Travel expenses to the anticipated mooring site of the vessel (Dominion Marine Shipyard, 425 Campostella Road, Norfolk, Virginia).
3. In-depth evaluation of complex environmental issues that were not initially communicated to EPI or are discovered after initiating the evaluation could require a change to the scope of services. EPI will identify any such issues and present them to the client before conducting any additional work.

CHANGES TO SCOPE OF SERVICES

Any changes requested to the scope of services above will be subject to cost renegotiation.

FEES AND PAYMENTS

Component 1: Protocol Development..... \$1,560.00 *Fixed Fee* *28* Estimated

All reimbursables, including but not limited to such items as travel expenses, reproductions, messenger services, telefacsimiles, long distance telephone calls, and applicable sales taxes, will be billed at cost. Subcontracted work, though not anticipated, will be billed at cost plus

10%. This proposal is based on current salaries and operational costs. If work under this proposal is not completed within six months from the date of the proposal, EPI reserves the right to adjust the fees to reflect current costs.

Our invoice will be based on the work completed at the following hourly rates for employees working on the project:

Principal/Certified Industrial Hygienist/Safety Professional	\$245.00/hour
Project Supervisor/Certified Industrial Hygienist	\$195.00-\$245.00/hour
Project Manager/Industrial Hygiene Technician.....	\$145.00/hour
HSE (Health, Safety, and Environmental) Associate.....	\$95.00-\$105.00/hour
Graphic/Photograph/Video/Administrative Support.....	\$55.00-\$65.00/hour
Document Management	\$60.00/hour

While CITA shall be responsible for payment of services to EPI, the services being provided by EPI are for the legislative bodies of the Kittiwake Project, namely the Cayman Islands Department of the Environment, the US EPA, and MARAD. We understand the role of the CITA is solely to facilitate ship visits, liaise with legislators, and to approve contracts or make payments for services rendered.

PROJECT SCHEDULE

While no project timeline has been established, we understand that the scheduling of our work may be influenced by factors beyond our control. Notwithstanding, we shall make every effort to comply with delivery dates established by the client. The final report for the vessel evaluation will be completed within two weeks of receipt of final laboratory analysis.

RECORD RETENTION

EPI has no responsibility to retain any files, drawings or documents in connection with this project after one year from completion of project. At that time, all files, drawings, and documents may be destroyed unless requested by the client or the client's representative.

REFERENCES

We invite you to contact the following individuals who can attest to our experience and qualifications:

Carolyn E. Junemann, Ph.D.
U.S. Department of Transportation, Maritime Administration
400 Seventh St. SW, Room 7209
Washington, DC 20590
Phone: (202) 366-1920

Spencer Slate
Captain Slate's Atlantis Dive Center
51 Garden Cove Drive
Key Largo, FL 33037
Phone: (305) 451-3020

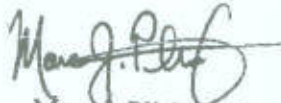
LIMITATION OF LIABILITY

EPI's maximum obligation and/or liability to client, except insofar as EPI may be liable for its own negligent acts or those of its employees, for all claims, actions, damages or expenses arising out of, or in any way related to the provision of services under this agreement (including, but not limited to, an alleged breach of this agreement or an alleged breach or warranty) shall not exceed the total compensation due EPI under this proposal.

SUMMARY

If this proposal is satisfactory, please sign in the space provided and return one copy to our office. The terms of this proposal shall be null and void if not accepted with 30 days, unless officially extended in writing.

Sincerely,


Marc J. Plisko, CIH
Project Manager

MJP/mjp

ACCEPTANCE

The proposal description of professional services and terms are satisfactory and are hereby accepted. Authorization to proceed with the work is granted.

Company: CAYMAN ISLANDS TOURISM ASSOCIATION
Name: NANCY EASTERBROOK
Title: PROJECT MANAGER
Signature: N. Easterbrook
Date: October 24/2007